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FISCAL IMPACT STATEMENT

LS 6977

BILL NUMBER: HB 1341

NOTE PREPARED: Jan 5, 2005

BILL AMENDED:

SUBJECT: Permits in historic districts.

FIRST AUTHOR: Rep. Ayres

BILL STATUS: As Introduced

FIRST SPONSOR:

FUNDS AFFECTED: X GENERAL
X DEDICATED
FEDERAL

IMPACT: State & Local

Summary of Legislation: This bill allows the Alcohol and Tobacco Commission (ATC) to issue a three-way, two-way, or one-way permit to a restaurant that is located: (1) in a historic district in a city or town; or (2) not more than 500 feet from the historic district; if the historic district meets certain requirements. This bill also provides that the legislative body of the city or town must adopt an ordinance requesting the ATC to issue the permit. This bill provides that an applicant may not already have an alcoholic beverage permit for premises within a historic district or within 500 feet of a district that is subject to a quota. This bill also prohibits a permit issued under these provisions from being transferred to another location.

Effective Date: July 1, 2005.

Explanation of State Expenditures: This bill will have an administrative impact on the ATC. If there is an increase in administrative costs, the ATC could presumably cover the increase through the use of existing staff and resources. The impact on the ATC will depend upon the increase in permit applications that result from this legislation. It is estimated that this bill will not result in a significant increase in permit applications.

Explanation of State Revenues: The impact this bill will have on state revenues is indeterminable. This bill will allow the ATC to issue a three-way, two-way, or one-way permit, without regard to quotas, to a restaurant that is located:

- (1) in a historic district in a city or town; or
- (2) not more than 500 feet from the historic district.

The historic district where the restaurant is located must also meet the following requirements:

- (a) The district has been listed in the National Register of Historic Places maintained under the National

Historic Preservation Act of 1966, as amended.

(b) A county courthouse is located within the district.

(c) A historic opera house listed on the National Register of Historic Places is located within the district.

(d) A historic jail and sheriff's house listed on the National Register of Historic Places is located within the district.

There is only one eligible district known at this time located in downtown Valparaiso.

The impact on state revenue would be as a result of permit fees, or increased beer, wine, and liquor sales, which would result in the state collecting more Excise taxes. Permit fees range from \$250 to \$2,250. Revenue from permit fees is distributed in the ATC's Enforcement and Administration Fund. The impact on alcohol sales is indeterminable. Revenue from alcohol Excise taxes are distributed to the following funds: state General Fund, the Post War Construction Fund, the ATC Enforcement and Administration Fund, and the Addiction Services Fund.

Background: A one-way permit is for a restaurant that serves beer only. A two-way permit allows a restaurant to serve both beer and wine, and a three-way permit allows a restaurant to serve beer, wine, and liquor.

Explanation of Local Expenditures: This bill also provides that the legislative body of the city or town must adopt an ordinance requesting the ATC to issue the permit. This provision could have an administrative cost impact on the local legislative body, but it is presumed that the impact could be covered through the use of existing staff and resources.

Explanation of Local Revenues: Portions of the alcohol excise taxes that are collected are distributed to the cities and towns on the basis of population.

State Agencies Affected: Alcohol and Tobacco Commission.

Local Agencies Affected: Legislative body of an eligible city or town.

Information Sources:

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